

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

March 2, 2000

LB 923, 954

option to lay it over.

PRESIDENT MAURSTAD: Senator Hartnett? Senator Hartnett, did you indicate you wanted to lay it over? The bill is laid over. Mr. Clerk, LB 954.

CLERK: Mr. President, LB 954 by Senator Jensen. (Read title.) The bill was introduced on January 5, referred to the Banking Committee, advanced to General File. I have no amendments at this time, Mr. President.

PRESIDENT MAURSTAD: Senator Jensen, you're recognized to open on LB 954.

SENATOR JENSEN: Thank you, Mr. President and members of the body. LB 954 was a bill that was heard in Banking, Commerce and Insurance Committee on February 1 of this year. The purpose of LB 954 is technical and to update Nebraska's Long-Term Care Insurance Act with the language recently adopted by the Accident and Health Insurance Committee of the National Association of Insurance Commissioners. The recent amendments to the NAIC model act are in response to a category of federally tax qualified long-term care insurance policies created by Health Insurance Portability and Accountability Act in 1996, referred to as HIPAA. LB 954 will add language and provisions defining qualified long-term care insurance contracts. Qualified contracts are insurance contracts that meet certain requirements found in Section 7702B of the Internal Revenue Code. A qualified contract includes life insurance contracts that provide long-term care insurance coverage and meet the requirements of Section 7702B and also of section (e) of the Internal Revenue Code; also a statement disclosing whether a policy is intended to be a qualified contract will be required in the policy's outline of coverage. In addition, LB 5 or 954 also will add the following provision: one, language requiring that 44-4515 apply also to denials of applications and that the refunds for all denials or returns must be made within 30 days; two, a provision requiring that the insurer of the policy deliver the policy within 30 days of the date of approval; and, three, that language requiring the insurer of a policy which has been denied to provide certain information to the policyholder within 60 days of the date of a written request. Nebraska's